BRITISH COLUMBIA
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BC Stats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 08-27 July 4th, 2008

- **British Columbians spend less on prescription and over-the-counter drugs than other Canadians**
- **Room revenues slip in March**
- **Sales at food services and drinking places rebound in April**

The Economy

- **Sales in the province's food services and drinking places industry rebounded (+2.9%, *seasonally adjusted*) in April.** Higher revenues at food service establishments offset a drop in business at bars, nightclubs and taverns. Nationally, sales were up 2.5% reflecting a substantial increase (+3.6%) at full-service restaurants. The Atlantic provinces showed the largest gains, most notably PEI (+5.0%) and Newfoundland (+4.2%). *Data Source: Statistics Canada*

Tourism

- **Room revenues in BC continued to lose ground in March (-0.2%, *seasonally adjusted*).** Kootenay (-7.3%) experienced the largest decline, wiping out all of the gains made in the previous month. Accommodations in Cariboo and North Coast (each at -3.1%) also had a less lucrative month, while revenues inched down in Mainland/Southwest (-0.3%) and Thompson/Okanagan (-0.2%). Northern regions led the province in growth, with Northeast (+5.8%) and Nechako (+4.3%) posting substantial increases. In addition, Vancouver Island/Coast (+1.8%) saw revenues rebound following a poor performance in February. *Data Source: BC Stats*

Drug Expenditure

- **Total drug expenditure in Canada was estimated at $26.9 billion in 2007, up 7.2% from 2006.** Expenditures reached an estimated $22.5 billion for prescribed drugs last year, and $4.4 billion for non-prescription medication (over-the-counter drugs and personal health supplies). At approximately $660 per capita, BC had the lowest spending rate among the provinces, while New Brunswick ($910) recorded the highest (*note: variations are influenced by several factors, including demographics and differences in provincial/territorial drug subsidy programs*). The national average expenditure per capita was estimated at $818 last year. On a global scale, Canada has the second-highest level of total drug expenditure per capita after the United States. *Source: Canadian Institute for Health Information*

Literacy

- **The Canadian Council on Learning (CCL) projects that, by 2031, there will be little to no progress in the level of literacy among Canadians.** By 2031, a projected 47% of adults aged 16 and over (over 15 million individuals) will have literacy skills below the International Adult Literacy and Skills Survey (IALSS) Level 3—an internationally-accepted level of literacy required to cope in a modern society.

  It is predicted that the number of immigrants with low-level literacy skills will increase by more than 61%, to a total of more than 5.7 million. However, the number of immigrants with higher literacy skills could more than double (from 1.8 million to 3.7 million). The number of older Canadians (aged 66 over) with low literacy skills is forecast to double, while the number for young adults (aged 16-25) should remain relatively unchanged.

  Source: Canadian Council on Learning

Cultural Activities

- **Among cultural and leisure activities, most Canadians enjoy listening to music (82%) and watching videos (77%).** According to time-use data from the 2005 General Social Survey (GSS), other activities that are common among the nation's residents include reading magazines (77%), reading books (65%) and going to the movies (60%). Participation rates were lower,

Report Education & Labour Market Outcomes — 2006 Census

Did you know...
British Columbians consider the maple leaf to be Canada's number-one most defining item... Hockey was second. *Source: Ipsos Canada*

but still common, for attendance at theatrical performances (22%) and popular music performances (23%).

Attending theatrical performances, visiting public galleries and art museums, using library services, and reading books and magazines were all relatively more popular among women than men. Conversely, visits to historic sites, nature parks and conservation areas had a higher percentage of male participation. Individuals aged 50 and over were overrepresented in audiences at theatrical performances, public galleries and art museums. On the other hand, they were underrepresented in attendance at popular music performances, movies and drive-ins, for frequent music listening and regular viewing of videos as a leisure activity.

Having parents with higher levels of educational attainment increases the likelihood of participating in most cultural activities, as does having a partner or spouse possessing an advanced qualification. Not surprisingly, attendance and participation rates generally increased with family income.

Data Source: S.C. Cat. # 81-595

Commuting Patterns

- **The increasing cost of operating a motor vehicle appears to be having an effect on the nation's workforce.** More than a third (37%) of Canadian commuters say that in the last six months, the rising price of gas has meant that they are now walking to work more often than before. Others claim to have made other changes to their commuting habits such as using a more gas-efficient car (31%), carpooling (24%), using public transit more often (19%), working from home more often (14%), or even moving closer to work (9%). Nearly half (47%) of commuters have not made any changes to their commuting habits, but are instead compensating by cutting back on other expenses to make up for the rising price of commuting to work. *Source: Ipsos Canada*

The Nation

- **Canadian manufacturers' prices were significantly higher (+2.4%) this May than in the same month last year.** A 37.3% year-over-year surge in the price of petroleum & coal products was the largest contributor to the overall increase. Prices for chemicals (+6.2%) and petroleum & coal (+2.7%) also continued to exert inflationary pressure. The increase was partially offset by declining prices for primary metal products (-8.0%) and motor vehicles & other transportation equipment (-4.4%). Canadian manufacturers of lumber & other wood (-3.9%) saw lower prices and pulp & paper (-0.5%) products also inched down. If energy products were excluded, the overall Industrial Product Price Index (IPPI) would have fallen 1.7% in May.

  Prices for BC softwood lumber (-8.7%) remained below 2007 levels. Coastal producers received slightly less (-0.9%) for their product than they had a year earlier, while prices for Interior lumber continued to plummet (-12.1%).

  Raw material prices climbed 27.1% in May. Lower prices for non-ferrous metals (-24.1%), wood (-5.6%) and animal products (-3.7%) were not enough to outweigh soaring prices for mineral fuels (+66.5%) and vegetable products (+40.7%). Excluding mineral fuels, the Raw Materials Price Index was down 5.4%.

  The strong Canadian dollar has had an effect on the prices of goods produced largely for export. The appreciation of the Canadian dollar has meant that Canadian exporters of these goods are receiving less in Canadian funds. Excluding the effect of the exchange rate, the IPPI would have risen 4.8% rather than its actual 2.4%.

  Data Source: Statistics Canada

- **The Canadian economy expanded 0.4% (*seasonally adjusted*) in April as both the goods (+0.4%) and service (+0.4%) sectors expanded.** Manufacturing (+1.9%) rebounded from a two-month long slump, but most other industries in the goods sector did not fare as well. Mining and oil & gas extraction lost ground (-1.1%) for the third straight month. In the service sector, wholesale trade led the way, growing 2.1% in April. *Data Source: Statistics Canada*

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Contact: Shannon Pendergast
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Originally published in
Earnings and Employment Trends Issue 08-05

Educational Attainment and Labour Market Outcomes of British Columbians: Highlights from the 2006 Census

Introduction

One of the Government's five great goals is to make B.C. the best educated, most literate jurisdiction on the continent.[1] Educational attainment plays an important role in determining labour force participation, employment, and types of jobs obtained. The 2006 Census contains a wealth of information on the educational attainment and labour market outcomes of British Columbians. Highlights from the 2006 Census are presented here.

Changes to the Census in 2006

Census questions relating to education changed substantially between 2001 and 2006, principally to reflect developments in Canada's education system.

As a result of the changes, the 2006 Census provides more information on levels of educational attainment and fields of study. However, changes to the questionnaire have meant that comparisons with data from previous censuses are limited.[2]

Educational Attainment: Census Highlights

In 2006, only 12 percent of British Columbians (aged 25-64) had less than a high school education, the lowest proportion of all the provinces and territories. Six out of ten adults in B.C. had completed some form of post-secondary education, and almost one-quarter (24 percent) had a bachelor's degree or higher. These proportions were similar to the national averages.

Only 12 percent of British Columbians (aged 25-64) had not completed high school in 2006

Highest Level of Education, Population aged 25-64	BC	Canada
Less than high school	12%	15%
High school certificate or equivalent	26%	24%
Apprenticeship or trades certificate or diploma	12%	12%
Non-university certificate or diploma	20%	20%
University certificate or diploma below bachelor level	6%	5%
University bachelor's degree or higher	24%	23%
Total	100%	100%

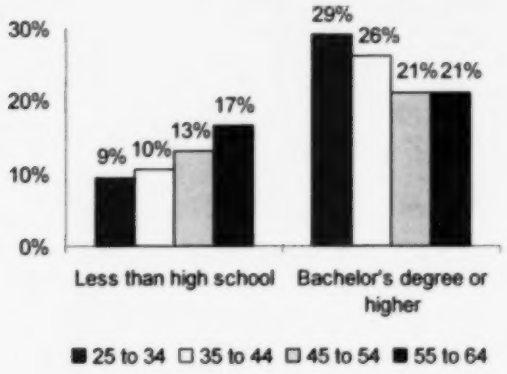
Source: 2006 Census, Statistics Canada

Younger adults (aged 25-34) are more educated than their older counterparts—29 percent of young adults had a university bachelor's degree or higher compared with only 21 percent of their 45 to 64 year-old counterparts. Furthermore, of those who had not completed high school, just over 60 percent were 45 years or older.

1 http://www.bcbudget.gov.bc.ca/2008/stplan/default.html#1

2 For more information on the changes to the education questions in the 2006 Census, please visit: http://www12.statcan.ca/english/census06/reference/infocensus/education.cfm

Younger generations have higher levels of education than their older counterparts

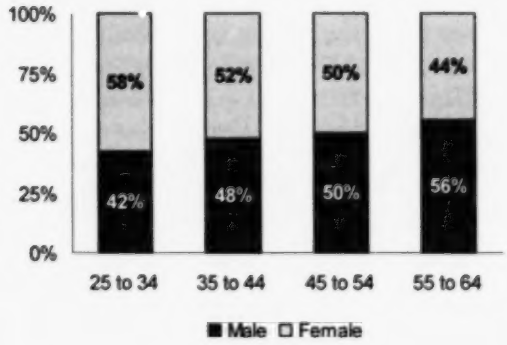


Source: 2006 Census, Statistics Canada

Census data suggests that fewer younger adults may be entering the trades—only 9 percent of the young adult population (aged 25-34) received a trades certificate, compared with 14 percent of the older population (aged 55-64).

Young women are leading the way in university attainment. In the past, the majority of university graduates with a bachelor's degree or higher were men, but in the youngest generation (aged 25-34), the majority of university graduates are women.

Young women are leading the way in university attainment



Source: 2006 Census, Statistics Canada

The Census uses the Classification of Instruction Programs (CIP) to classify programs into 12 major fields of study. Adult males with post-secondary education were most likely to have studied architecture, engineering, and related technologies, while adult females were more likely to have studied business, management, and public administration or health, parks, recreation, and fitness. The table below shows the top 5 fields of study for men and women age 25-64. The top five major fields of study account for 75 percent of men who had a post-secondary education in 2006 and 79 percent of women.

Business, management, & public administration is a popular field of study among both sexes

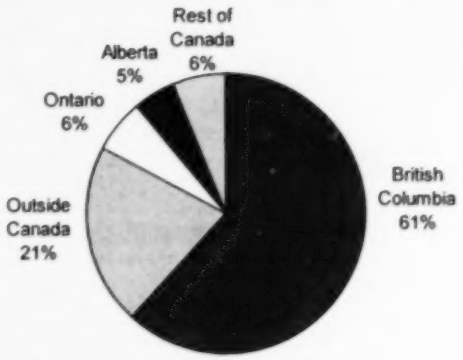
Top 5 Major Fields of Study, Population Aged 25-64	
Males	
Architecture, engineering, & related technologies	**40%**
Business, management & public administration	16%
Social, behavioural sciences & law	**8%**
Personal, protective & transportation services	6%
Health, parks, recreation & fitness	**6%**
Females	
Business, management & public administration	**26%**
Health, parks, recreation & fitness	22%
Social, behavioural sciences & law	**13%**
Education	11%
Humanities	**7%**

Source: 2006 Census, Statistics Canada

For the first time, the 2006 Census captured information on location of study (based on highest level of education obtained). The data show that approximately one-fifth (21

percent) of B.C.'s population with a post-secondary credential (age 15-64) was educated outside of Canada. In Ontario, this figure is similar (20 percent), but for Canada as a whole, the proportion educated outside of the country is only 15 percent. Seventeen percent of B.C.'s post-secondary credential holders were educated in other provinces, particularly Ontario and Alberta.

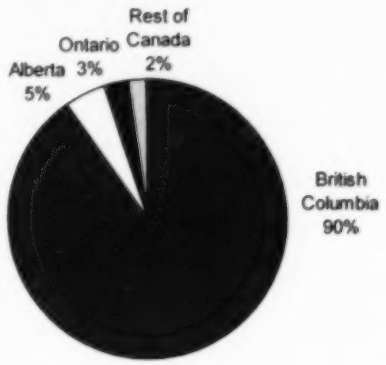
A large proportion of BC's population (aged 15-64) was educated outside of Canada



Source: 2006 Census, Statistics Canada

Although the Census cannot capture information on how many B.C. graduates emigrated to other countries, the Census can provide information on inter-provincial migration. In 2006, (excluding international emigration), 90 percent of post-secondary graduates (age 15-64) educated in B.C. remained in B.C. Of those who were educated in B.C. and moved to another province, most were living in Alberta or Ontario in 2006.

Excluding those who left Canada, most BC graduates (aged 15-64) were still in BC in 2006



Source: 2006 Census, Statistics Canada

Background:
Labour Market Conditions in BC

Both the Labour Force Survey (LFS) and the Census provide information on labour market conditions in B.C. The LFS is the official source of labour market information in Canada. However, the Census is more comprehensive, in terms of occupational, industry and sub-provincial information and is a valuable source of labour market information.

According to the LFS, British Columbia is currently experiencing very tight labour market conditions. Growth has been strong and stable, with employment increasing by approximately 3 percent each year since 2004. This has led to a dramatic decline in B.C.'s unemployment rate, which fell by 3.0 percentage points between 2004 and 2007. In 2007, at 4.2 percent, B.C.'s provincial unemployment rate was the second lowest in Canada.

Canada's other western provinces (Alberta, Saskatchewan, and Manitoba) are also experiencing very low unemployment rates. However, unlike these other western provinces, B.C.'s labour force participation rate (66.3 percent in 2007) lags behind the na-

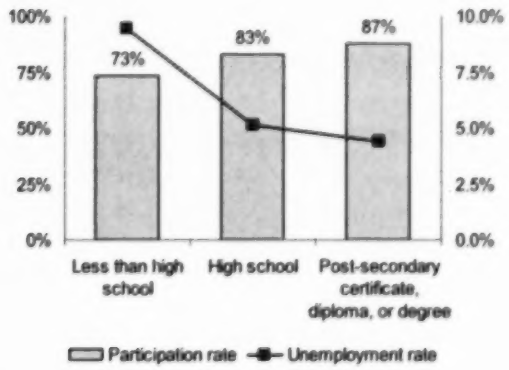
tional average (67.6 percent).[3] Without increases in our population base or labour force participation rate, steady employment growth will continue to place additional strain on B.C.'s labour market.

Labour Market Outcomes: Census Highlights

Labour market demand and supply interact to determine the occupations and industries in which British Columbians work, and education plays an important role in determining labour market supply.

For example, labour force participation is higher for individuals who have completed high school or a post-secondary credential. Educational attainment can also determine success in the labour market, as illustrated in the graph below. The unemployment rate drops sharply for individuals who have completed high school, and continues to decline somewhat with increasing levels of education.

Higher levels of educational attainment are related to improved labour market outcomes



Source: 2006 Census, Statistics Canada

[3] Source: Labour Force Survey, Statistics Canada.

Field of study also affects labour market outcomes, graduates (age 25-54) who studied education or health, parks, recreation and fitness had the lowest unemployment rates in 2006.

In 2006, education was the field of study with the lowest unemployment rate

Major Field of Study	Unemployment Rate
Education	3.2%
Health, parks, recreation & fitness	3.5%
Architecture, engineering & related technologies	4.0%
Physical & life sciences & technologies	4.2%
Business, management & public administration	4.6%
Social, behavioural sciences & law	4.7%
Agriculture, natural resources & conservation	4.7%
Humanities	5.0%
Mathematics, computer & information sciences	5.5%
Visual & performing arts & communications technologies	5.6%
Personal, protective & transportation services	5.6%

Source: 2006 Census, Statistics Canada

Many of B.C.'s employment gains between 2001 and 2006 were concentrated in occupations and industries requiring skilled labour (e.g. construction, health care and social assistance), making it increasingly important for B.C. to focus on having a well-educated population.

In 2006, the most prevalent occupations for men in B.C. were retail salespersons and sales clerks, truck drivers, and retail trade managers. Although the top 3 occupations for men remained unchanged since 2001, B.C.s' booming construction industry moved carpenters from 5th place in 2001 to

4th place in 2006. Construction trades helpers and labourers also moved into the top 5 occupations for men in 2006, moving from 13th place in 2001 to 5th place in 2006.

In 2006, some of the most prevalent occupations for men were in retail trade and the construction industry

Top 5 Occupations, Males	Labour Force[4]
Retail salespersons and sales clerks	39,470
Truck drivers	35,715
Retail trade managers	28,355
Carpenters	27,775
Construction trades helpers and labourers	22,270

Source: 2006 Census, Statistics Canada

The most prevalent occupations for women in B.C. also changed between 2001 and 2006. Although the most prevalent occupation (retail salespersons and salesclerks) remained unchanged, cashiers replaced general office clerks as the 2nd most prevalent occupation. Secretaries fell out of the top 5 occupations in 2006, while registered nurses moved from 7th place in 2001 to 5th place in 2006, reflecting B.C.'s aging population and increasing demand for health care professionals.

Registered nurses became one of the 5 most common occupations for women in 2006

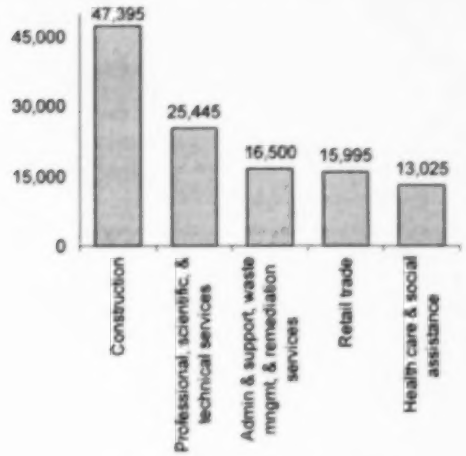
Top 5 Occupations, Females	Labour Force
Retail salespersons and sales clerks	60,950
Cashiers	35,030
General office clerks	32,595
Food counter attendants, kitchen helpers and related occupations	32,305
Registered nurses	31,215

Source: 2006 Census, Statistics Canada

In terms of the number of persons in the experienced labour force, the construction industry experienced the largest employment growth in B.C. between 2001 and 2006 (up almost 50,000 workers). There were also sizeable gains in several other industries, and almost all industries experienced positive growth. The manufacturing industry lost about 5,000 workers over this 5 year period, while information and cultural industries, public administration, utilities, and agriculture, forestry, fishing and hunting also experienced some moderate job losses.

[4] The labour force includes those who were either employed or unemployed (but looking for work) during the week prior to enumeration. The *experienced labour force* excludes labour force participants who have never worked or who have been unemployed since January 1, 2005 (about 1.5% of the total labour force in 2006). This analysis is based on the *experienced labour force*.

Construction and retail trade were among the 5 industries with the largest labour force gains between 2001 and 2006



Source: 2001 & 2006 Censuses, Statistics Canada

The fastest growing industry between 2001 and 2006 was management of companies and enterprises (+127 percent, or 1,735 workers), followed by mining and oil and gas extraction (+43 percent, or 5,985 workers) and construction (+40 percent, or 47,395 workers).

Differences between the Census and the Labour Force Survey

As noted above, the Labour Force Survey is conducted more frequently and is the official source of labour market information for B.C., while the Census is more comprehensive and serves as a useful source of detailed labour market information.

For example, the Census provides very detailed information on different occupations, and also provides information for very small geographic areas.

In the Census, the labour force refers to persons aged 15 and over who were either employed or unemployed during the week prior to Census Day (May 16, 2006). In the Labour Force Survey (LFS), information is collected for the week containing the 15th day of the month.

Both the Census and the LFS use the National Occupational Classification for Statistics coding system (although, while the Census uses the updated version for 2006, the LFS still uses the 2001 version). However, the Census is a self-completed survey whereas the LFS is conducted using trained interviewers who understand occupational descriptions and can probe for further information.

Infoline

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Apr 1/08	% change on one year ago
BC	4,428.4	1.5
Canada	33,223.8	1.1
GDP and INCOME (Revised Apr 28)		
(BC - at market prices)	2007	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	190,214	5.5
GDP *($ 2002 millions)*	163,200	3.1
GDP *($ 2002 per Capita)*	37,258	1.7
Personal Disposable Income *($ 2002 per Capita)*	24,728	3.0
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Apr	3,350	-0.2
Merchandise Exports - Apr	2,523	9.4
Retail Sales - Apr	4,775	-0.7
CONSUMER PRICE INDEX	% change on one year ago	12-month avg % change
(all items - May 2008)		
BC	2.1	1.4
Vancouver	2.4	1.7
Victoria	1.9	0.9
Canada	2.2	2.1
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	May '08	prev. month
Labour Force - BC	2,426	-0.2
Employed - BC	2,317	-0.3
Unemployed - BC	108	2.9
		Apr '08
Unemployment Rate - BC *(percent)*	4.5	4.3
Unemployment Rate - Canada *(percent)*	6.1	6.1
INTEREST RATES (percent)	Jul 2/08	Jul 4/07
Prime Business Rate	4.75	6.00
Conventional Mortgages - 1 year	6.95	7.05
- 5 year	7.15	7.24
US-CANADA EXCHANGE RATE	Jul 2/08	Jul 4/07
(avg. noon spot rate) Cdn $ per US $	1.0129	1.0586
(closing rate) US $ per Cdn $	0.9868	0.9446
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	May '08	one year ago
BC	777.77	4.9
Canada	777.54	4.5

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

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- Tourism Sector Monitor, June 2008

Next week

- Business Indicators, June 2008
- Labour Force Statistics, June 2008
- Earnings & Employment Trends, June 2008

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